

SNAPSHOT

STOCKS			
S&P 500	-0.8%	Nasdaq Comp.	-1.4%
DJIA	-0.3%	Russell 2000	+0.3%
ES Mar'26	-0.9%	RTY Mar'26	+0.2%
NQ Mar'26	-1.7%	YM Mar'26	-0.3%

FX			
DXY	-0.2% (97.39)	EUR/USD	+0.2%
USD/JPY	+0.1%	GBP/USD	+0.3%

BONDS			
US T-Note Mar'26	+1 tick	10yr Bund Mar'26	-14 ticks
US 10yr Yield	4.27%	German 10yr Yield	2.89%

ENERGY & METALS			
WTI Mar'26	+2.8%	Brent Apr'26	+2.4%
Spot Gold	+6.2%	LME Copper	+4.0%

CRYPTO			
Bitcoin	-4.0%	Ethereum	-3.9%

As of 21:50GMT/16:50EST

LOOKING AHEAD

- Highlights include Japanese Services & Composite PMIs, Chinese RatingDog Services & Composite PMIs, Comments from RBA's Jones, Supply from Australia.
- [Click for the Newsquawk Week Ahead.](#)

US TRADE

- **US stocks** were pressured as weakness in mega-cap names (NVDA, AVGO, META, MSFT, AMZN) weighed on the tech-heavy Nasdaq 100, which unsurprisingly saw Tech as the clear sectoral laggard. Communications and Discretionary were the next worst hit, while Energy, Materials, Consumer Staples, and Utilities all saw gains in excess of 1%, with Energy underpinned by gains in oil prices due to heightened US/Iran rhetoric after a report that Iranian gunboats approached a US oil tanker in the Strait of Hormuz early Tuesday and ordered it to stop, while the US military shot down an Iranian drone that approached a US Navy aircraft carrier in the Arabian Sea.
- **SPX** -0.84% at 6,918, **NDX** -1.55% at 23,339, **DJI** -0.34% at 49,241, **RUT** +0.31% at 2,648.
- [Click here for a detailed summary.](#)

TARIFFS/TRADE

- **US government reached a water treaty agreement with Mexico.**
- **USTR Greer said India's industrial goods tariffs will go to zero from 13.5% and that India is maintaining some protection around agricultural goods,** while they have an understanding on reducing India's technical non-tariff barriers to trade, and recognising US standards.
- **US Interior Secretary said the US plans to announce as many as 11 trade agreements on critical minerals this week.**
- **EU launched an in-depth subsidies probe into the European wind turbine business of China's Goldwind** and suggested the Co. may receive grants, preferential tax measures, and loans that distort competition.
- **EU is to offer the US a partnership on critical minerals to counter China's influence,** according to a Bloomberg report citing

sources.

NOTABLE HEADLINES

- **Fed's Miran (voter) said underlying inflation is not a problem and they need to cut rates by about a percentage point this year**, while he added that monetary policy is too tight, according to a Fox News interview.
- **Fed's Barkin (2027 Voter, Neutral) said the policy rate is now at the higher end of the neutral rate estimate**, and it is still an open question about when inflation will fall to 2%, while he added the recent economic data has been encouraging on the demand side, employment and inflation.
- **US House approved funds to end the government shutdown and sent it to US President Trump for signing into law.**

FX

- **USD** broadly weakened against its major peers and gave back some of the post-ISM spoils with some pressure also seen on geopolitical updates, whereby the US military shot down an Iranian drone that approached USS Lincoln in Arabia, an update that followed reports of an Iranian gunboats approached a US oil tanker in the Strait of Hormuz early Tuesday and ordering it to stop. There were a couple of Fed speakers, but didn't provide anything incrementally new, while it was reported that the US House approved funds to end the government shutdown, which may mean the delayed JOLTS (Dec) and NFP (Jan) reports could be rescheduled as early as next week.
- **EUR** edged mild gains in choppy trade and with very little fresh catalysts from the bloc, while the single currency was unfazed by softer French inflation data.
- **GBP** was indecisive during the session amid quiet newsflow, but briefly reclaimed the 1.3700 status.
- **JPY** lagged against its peers amid the ongoing expectations for a strong victory by Japan's ruling LDP on Sunday.

FIXED INCOME

- **T-notes** settled flat with price action kept to within a tight range, while headline-driven newsflow was sparse, which was accentuated by the cancellation of JOLTS data due to the partial government shutdown, although the House have approved the funds to end the government shutdown and sent the funding bill to US President Trump for signing into law.

COMMODITIES

- **Oil prices** were firmer with the energy complex supported by US/Iran tensions seemingly intensifying once again after the US shot down an Iranian drone.
- **Russian Deputy PM Novak** said oil demand and supply are in balance, while he added that OPEC+ sees oil demand increasing in the spring and summer.
- **Kremlin's spokesperson said Russia has not heard any statement from India about halting Russian oil purchases**, adding that they intend to continue developing their relations with India.
- **China's Shanghai Futures Exchange is to adjust price limits and margin requirements for fuel oil and other futures contracts** from February 5th closing settlements.

GEOPOLITICAL

MIDDLE EAST

- **US Central Command spokesperson confirmed that a US F-35C shot down an Iranian Shahed drone** that flew "aggressively" and with "unclear intent" toward the USS Abraham Lincoln aircraft carrier in the Arabian Sea today, according to CBS.
- **White House Press Secretary said that CENTCOM acted appropriately** to shoot down an Iranian drone, and talks with Iran later this week are still scheduled, according to Fox News.
- **Iran's Far News Agency said an Iranian drone completed a "surveillance mission in international waters"** after the US military said it shot down an Iranian drone, while Iran's Tasnmin News Agency said the connection with the drone in international waters was lost and that the reason for the lost connection was unknown.
- **Iranian gunboats approached a US oil tanker in the Strait of Hormuz early Tuesday and ordered it to stop**, while Iranian officials threatened to pull out of the talks with US special envoy Witkoff and Kushner that were poised to take place Friday, according to WSJ.
- **Iran reportedly wants to change venue and format of nuclear talks with US**, according to Axios, citing sources who said the Iranians were walking back from understandings that were reached in recent days after several countries were already invited to participate in the talks. The Iranians want to move the talks from Istanbul to Oman and now want to hold them in a bilateral format, only with the US, rather than with several Arab and Muslim countries attending as observers. Furthermore, a regional diplomat said Iran is also seeking to change the scope of the Friday talks to only focus on the nuclear file, and does not want the direct participation of regional countries.
- **Iran told the mediators that Iran is ready to discuss the nuclear issue** — and is even willing to consider compromises, and afterwards they can discuss the issue of ballistic missiles and the proxies, according to the Jerusalem Post.
- **Iran's Vice President said a new chapter of Iran's nuclear achievements will be unveiled.**

RUSSIA-UKRAINE

- **Ukrainian President Zelensky called for additional support following a discussion with NATO's Rutte**, while he said Russia

exploited US proposals to briefly halt strikes not to support diplomacy, but to stockpile missiles.

- **Ukrainian President Zelensky said Ukraine is expected to make concessions**, but Russia must also make concessions, mainly stopping aggression.
- **Russia's Deputy Foreign Minister Ryabkov said the modernisation of their nuclear triad is at a very advanced stage.**

ASIA-PAC

NOTABLE HEADLINES

- **China urged a breakthrough in 6G and quantum technology, while it supports the expansion of key technology firms.** It was separately reported that China's Foreign Ministry said they are willing to expand innovation and AI cooperation with Vietnam.

EU/UK

NOTABLE HEADLINES

- **ECB Bank Lending Survey (Jan) stated that banks tightened credit standards for firms, citing higher perceived risks amid lower risk tolerance**, while credit standards eased slightly for housing loans, but tightened further for consumer credit.

Copyright © 2026 Newsquawk Voice Limited. All rights reserved.

Registered Office One Love Lane, London, EC2V 7JN, United Kingdom · Registered Number 12020774 · Registered in England and Wales.

newsquawk.com · +44 20 3582 2778 · info@newsquawk.com